

## **U.S.-China Relations: Taiwan Tops the Bilateral Agenda**

**by Bonnie Glaser  
Consultant on Asian Affairs**

The year 2000 opened with a flurry of contacts between American and Chinese officials. The bilateral military relationship, suspended since the U.S. accidental bombing of the Chinese embassy in Belgrade, resumed and an agenda for dialogue and exchanges between the two militaries was agreed upon and set in motion. A senior delegation composed of military and civilian American officials visited Beijing as efforts continued to get Sino-U.S. relations back on a normal track and re-engaged in discussions of security issues of common concern. The election of the Democratic Progressive Party (DPP) candidate Chen Shui-bian as president of Taiwan caught both the U.S. and China by surprise and prompted Washington to send envoys to both sides of the Strait to urge caution and restraint. In the U.S., the Clinton administration embarked on a major campaign to win approval from Congress for Permanent Normal Trade Relations (PNTR) status for China.

### **Military Contacts Revived**

The agreement last December settling the issue of compensation for damage to Chinese and American diplomatic property during the NATO military operation in Kosovo paved the way for the restoration of U.S.-Chinese military ties, beginning with the resumption of the Defense Consultative Talks (DCT) at the end of January. Lieutenant General Xiong Guangkai, director of intelligence and deputy chief of the general staff of the People's Liberation Army, battled a heavy snow storm in Washington to conduct over 12 hours of discussions with Under Secretary of Defense Walter Slocombe in addition to meeting with other senior officials throughout the U.S. government.

In contrast with previous trips to the U.S., however, Gen. Xiong did not venture outside the capital to meet with scholars at American universities or to visit U.S. military installations. Chinese defense officials privately noted that the decision to restrict the general's activities to Washington D.C. was in keeping with the absence of normalcy in the military relationship pending a successful outcome of the DCT. The activities restriction also served as a reminder of Beijing's dissatisfaction with the Clinton administration's failure to meet Chinese demands to provide a compelling explanation of its bombing of China's Belgrade embassy and to punish those responsible for the attack.

According to U.S. officials, Gen. Xiong's discussions with his American counterparts were frank, but also cordial and constructive, allowing both sides an opportunity to convey their perspectives and concerns on a broad range of bilateral, regional, and global issues. American officials sought to express a firm will to defend U.S. interests while also mollifying Chinese worries about U.S. unilateralism and "hegemonism" arising from the Kosovo war. In a Pentagon briefing following the Chinese delegation's departure, Mr. Slocombe noted that he made clear to

Gen. Xiong that “we do not seek confrontation and we do not follow a policy of containment or domination . . . we will protect our interests, but we do not regard China as an enemy.”

In heated discussions about Taiwan, Gen. Xiong warned the U.S. against sales of Aegis destroyers and anti-missile systems to the island, claiming that such sales would embolden advocates of Taiwan independence and violate the 1979 U.S. pact with China in which the U.S. agreed to sever its defense relationship with Taiwan as a precondition to the establishment of diplomatic ties with Beijing. The centerpiece of the DCT, the third round since the talks began in 1997, was an agreement on a program of military-to-military contacts for the coming year (including high-level military and professional visits), confidence-building measures, and Chinese participation in multinational events.

Another sign of improving relations between the U.S. and Chinese militaries was Beijing’s approval for a U.S. aircraft carrier group to anchor in Hong Kong two weeks after General Xiong’s visit to Washington. The fleet’s arrival one month prior to the presidential elections in Taiwan was termed coincidental by Rear Admiral Gerald Hoewing, the commander of the nuclear powered carrier, USS John C. Stennis. Nevertheless, Admiral Hoewing told the press that his fleet would be ready if there was any trouble in the Taiwan Strait and the U.S. decided to intervene.

Military relations took another step forward with the February visit of Admiral Dennis Blair, the commander of U.S. Pacific forces. To the chagrin of Admiral Blair, however, his two days of meetings with Chinese military leaders were dominated by discussion of cross-Strait tensions and U.S. policy toward Taiwan. The timing of Beijing’s release of a White Paper on Taiwan, which threatens to attack the island if it indefinitely rebuffs China’s demands for talks on reunification, ensured that Taiwan would be at the top of the agenda. Admiral Blair appealed to Chinese leaders to show patience and moderation, while repeating the U.S. position that any resolution of differences between Taipei and Beijing must be peaceful. He, in turn, received an earful of Chinese criticism about U.S. arms sales to Taiwan and U.S. programs to develop and deploy theater and national missile defense systems.

### **The U.S. Responds to China’s White Paper on Taiwan**

China’s abrupt shift to a more aggressive posture toward Taiwan on the eve of the island’s presidential elections left the Clinton administration scrambling for a response. The issuance of the White Paper was a slap in the face to the administration, which had just sent a high-powered delegation headed by Deputy Secretary Strobe Talbott to resume strategic dialogue with Beijing on security matters of common concern and, in particular, to brief China on the U.S. national missile defense program. Talbott apparently was not informed by his Chinese interlocutors about the bombshell that was dropped upon his departure, but instead learned of the policy change through the news media. Walter Slocombe, who accompanied Talbott to Beijing along with Vice Chairman of the Joint Chiefs of Staff Gen. Joseph W. Ralston and Deputy National Security Adviser James Steinberg, delivered the firmest of warnings to Beijing, saying that China would face “incalculable consequences” if it attempted to follow through on its threats.

Apart from concern about increased tensions across the Strait as Taiwan prepared to go to the polls, the Clinton's administration worried that China's bellicose posture would bolster support for legislation in the Senate known as the Taiwan Security Enhancement Act (TSEA) that would expand military ties between Washington and Taipei. The TSEA had been approved by the House of Representatives on February 1 in a 341-70 vote and the administration was working hard to prevent the legislation from being brought to the Senate floor for debate. In addition, China's new threats were likely to increase pressure from Congress to sell more weapons to Taiwan just at the time the administration was embarking on the final phase of its annual review of arms sales requests from Taiwan, which reportedly includes four Arleigh Burke-class guided missile destroyers equipped with Aegis air defense radars. American officials also feared that China's aggressive stance would unravel the administration's effort in Congress to secure PNTR status for China.

### **The PNTR Campaign**

On March 8, the administration presented legislation to Congress to grant PNTR to China and launched a campaign to win support for this effort on Capitol Hill. With only 10 months left in office, President Clinton made a passionate plea for ending the annual review of China's trade status in a speech delivered at the Johns Hopkins University Paul H. Nitze School for Advanced International Studies. He emphasized that failure to provide China with PNTR would prevent the United States from obtaining the benefits of China's admission to the World Trade Organization (WTO), including the many concessions won by the U.S. in the agreement hammered out between Chinese and American negotiators the previous year. "A vote against PNTR will cost American jobs as our competitors in Europe, Asia, and elsewhere capture Chinese markets that we otherwise would have served," Clinton told his audience.

Clinton also explained that getting China into the WTO and granting it PNTR would "advance the goals that America has worked for in China for the past three decades." He predicted it would lead to greater openness and freedom for the people of China and, ultimately, to a loosening of Communist control. In his discussion of cross-Strait matters, the president reiterated a formulation he had spoken for the first time only two weeks earlier in a speech to the Business Council, a gathering of executives of major American companies. Clinton insisted the differences between Beijing and Taipei must not only be resolved peacefully, but also "with the assent of the people of Taiwan," indicating that popular will in democratic Taiwan cannot be ignored.

### **Chen Shui-bian's Victory**

The election of DPP candidate Chen Shui-bian as Taiwan's president on March 18 took both Washington and Beijing by surprise. Up until the week prior to the vote both governments had judged it more likely that Lien Chan, the ruling KMT party candidate, or James Soong, a former KMT official running as an independent, would win. The Clinton administration worried that Beijing might hastily resort to military force against the island to warn the new president against taking any moves toward legal separation of Taiwan from the Mainland. These worries were not entirely unfounded given a statement by Chinese Premier Zhu Rongji only days before the election that China was ready to "shed blood" to preclude Taiwan independence and the release

of a Chinese government poll showing that 95 percent of the Chinese people approved the use of military force against Taiwan.

While Clinton administration officials privately counseled Chinese leaders to refrain from placing military pressure on the new Taiwan government and instead adopt a “wait and see” posture, they also sought to assure Beijing that the U.S. “one-China” policy and its unwillingness to support independence for Taiwan had not changed. In a congratulatory statement to Chen Shui-bian, President Clinton noted that the United States would continue to conduct only “unofficial ties” with the people on Taiwan in accordance with the Taiwan Relations Act and the “‘one-China’ policy as embodied in our three communiqués with the People’s Republic of China.” Clinton also urged Taipei and Beijing to seize upon the election as a “fresh opportunity for both sides to reach out and resolve their differences peacefully through dialogue.”

To reinforce the administration’s dual message of the need to exercise restraint and renew the cross-Strait dialogue, U.S. Ambassador to the United Nations Richard Holbrooke was dispatched to Beijing along with Stanley Roth, the State Department’s top official for East Asian affairs. In a meeting with President Jiang Zemin, the Chinese leader characterized Holbrooke’s trip as a “formidable task,” but added that the two sides were “very fortunate to be able to talk with each other in such a friendly atmosphere.” Holbrooke discussed Taiwan as well as human rights and UN issues in a two-hour talk with China’s Foreign Minister Tang Jiaxuan. According to the state-run Xinhua News Agency, Tang called upon Washington to recognize the “sensitivity and complexity” of the Taiwan problem and refrain from interfering in China’s internal affairs.

Using harsher language, Tang warned Holbrooke that China would “fight to the finish” against the U.S. proposal to censure China at the UN Human Rights Commission in Geneva. The announcement of the decision to again sponsor a UN resolution criticizing the Beijing government for its crackdown on political dissent and religious freedom was timed to win Congressional endorsement for PNTR by showing that the administration is prepared to get tough on China’s human rights record. Secretary of State Madeleine Albright flew to Geneva on March 23 to deliver a 15-minute speech to the UN Human Rights Commission urging the United Nations to confront China over “widespread denials” of basic freedom.

At the same time Holbrooke was in Beijing, former U.S. Congressman Lee Hamilton was asked to travel to Taipei, accompanied by Richard Bush, the director of the Washington office of the American Institute in Taiwan. Hamilton’s task was likely to convey the need for caution to President-elect Chen Shui-bian and to urge him to return to the formulation of “one-China” that had been agreed upon in Singapore in 1992 by Chinese and Taiwanese negotiators Wang Daohan and Koo Chen-fu as the basis for the commencement of discussions between their quasi-official organizations responsible for conducting relations across the Strait. After three days of talks in Taipei, Hamilton told reporters that he was “impressed by President-elect Chen’s prudent, positive statements on cross-Strait relations since the election.”

### **NSC Adviser Berger’s Visit**

In the final days of March, contacts between American and Chinese officials were elevated to yet a higher level with the visit of NSC Adviser Sandy Berger to Beijing. Although the trip had

been scheduled prior to the Taiwan elections, the outcome of those elections enhanced the importance of Berger's visit and afforded another opportunity for the two sides to discuss the cross-Strait situation as well as bilateral, regional, and global issues. The two sides once again set out their respective bottom lines on Taiwan. Berger reaffirmed the core elements of U.S. policy and cautioned Chinese leaders against taking actions that would increase tensions between Beijing and Taipei. China insisted that the U.S. abide by the three Sino-U.S. communiqués and warned that bilateral ties would be seriously damaged if Washington accedes to Taiwan's requests for more advanced defensive weapons in the U.S.-Taiwan arms sales talks that are scheduled for late April.

A senior American official described the two days of talks as "serious and thoughtful." Berger told Chinese leaders that Washington remains committed to the goal of building a constructive strategic partnership with China that had been agreed upon by Presidents Clinton and Jiang in 1998. He noted that the year 2000 is very important for the development of Sino-U.S. relations, adding that it brings both opportunities and challenges to bilateral ties between the two countries. Amid their many differences, Berger and his Chinese counterparts agreed that both cross-Strait and U.S.-China relations are at a critical juncture. President Jiang Zemin voiced the hope that "the U.S. government and American statesmen with wide vision" would adopt "a very circumspect attitude and make a wise decision."

### **The Road Ahead**

The stepped-up contacts between American and Chinese officials in the first quarter of this year doubtlessly provided the two sides ample opportunity to make their views clear to each other on issues of concern. Nevertheless, their differences have not narrowed. For example, the U.S. remains committed to the development and deployment of ballistic missile defense systems in the belief that a mix of offensive and defensive capabilities will provide a more robust deterrent against an attack by nations such as Iran, Iraq, and North Korea. The Chinese, on the other hand, are staunchly opposed to the deployment of national and theater missile defense systems, which they argue will be destabilizing and promote proliferation of missiles and weapons of mass destruction. Beijing is especially opposed to the transfer of theater missile defense capabilities to Taiwan. China continues to link future cooperation with the U.S. on arms control and proliferation matters to a U.S. commitment of greater restraint on the transfer of weapons to Taipei. For this reason, although military contacts have resumed, Beijing refuses to resume the bilateral dialogue on arms control and non-proliferation that it suspended after the accidental bombing of the Chinese embassy.

Washington and Beijing know clearly where one another stands regarding Taiwan, yet they both remain uneasy about the other's intentions and apprehensive about the dangers that may lie ahead. In the short run, Chinese leaders worry that President-elect Chen Shui-bian will not accept any definition of one-China, which would make the resumption of cross-Strait dialogue difficult, if not impossible, and precipitate a hardening of Chinese policy toward the island that would likely lead to deterioration of Sino-U.S. relations and jeopardize China's chances of obtaining PNTR this year. In the long run, Beijing fears that the new Taiwan president surreptitiously continues to embrace independence as a long-term goal and, after building a stronger base of support on the island, will advance toward this objective.

Washington worries that the judicious stance adopted by China following the Taiwan elections -- emphasizing it will judge the new Taiwan leader by his deeds -- merely marks the lull before the storm. American officials are right to conclude that Beijing's muted response so far indicates that Chinese leaders are weighing their options and not necessarily heeding American advice. Indeed, China's reaction to the election of Chen Shui-bian is yet to come.

### **Chronology of U.S.-China Relations January – March 2000**

**Jan. 11, 2000:** State Department spokesman James Rubin announces the United States will introduce a resolution on China's human rights practices at the United Nations Commission on Human Rights when it meets in Geneva in March.

**Jan. 13, 2000:** Stanley Roth, U.S. Assistant Secretary of State for East Asian and Pacific Affairs, visits China as a guest of the U.S. Embassy in Beijing and meets with Vice Foreign Minister Yang Jiechi to discuss Sino-U.S. relations and other issues of common concern.

**Jan. 24-26, 2000:** Lt. Gen. Xiong Guangkai, director of intelligence and deputy chief of the general staff of the People's Liberation Army, visits Washington, D.C. for the Defense Consultative Talks, the third round since the sessions began in 1997.

**Feb. 1, 2000:** The U.S. House of Representatives approves the Taiwan Security Enhancement Act in a 341-70 vote. The following day Chinese officials summon U.S. Ambassador Joseph Prueher to the Foreign Ministry to protest the passage of the legislation.

**Feb. 2, 2000:** National Security Advisor Samuel R. Berger delivers a speech on the administration's China policy to the Woodrow Wilson Center for International Scholars in Washington, D.C.

**Feb. 8, 2000:** A U.S. naval battle group led by the USS John C. Stennis, a nuclear-powered aircraft carrier, anchors in Hong Kong, the largest such visit since last year's accidental bombing of the Chinese Embassy in Belgrade.

**Feb. 17-18, 2000:** A senior U.S. delegation visits China, including Deputy Secretary Strobe Talbott, Vice Chairman of the Joint Chiefs of Staff Gen. Joseph W. Ralston, Undersecretary of Defense Walter B. Slocombe, Deputy National Security Adviser James Steinberg, and Deputy Assistant Secretary of Defense Kurt M. Campbell.

**Feb. 22, 2000:** U.S. diplomats convey the Clinton administration's concerns to Chinese authorities in Beijing and Washington one day after China issued an 11,000 word White Paper on Taiwan that contained a warning that it might use force if Taipei indefinitely delays reunification talks with Beijing.

**Feb. 24, 2000:** President Clinton urges the American business community to support China's accession to the World Trade Organization in a speech to the Business Council.

**Feb. 28-29, 2000:** The commander of U.S. Pacific forces Admiral Blair meets Chinese PLA leaders in Beijing and visits military facilities in Nanjing.

**Mar. 8, 2000:** President Clinton delivers a speech in Washington D.C. seeking support for granting China Permanent Normal Trade Relations (PNTR) status. He presents the legislation to Congress to give PNTR to China.

**Mar. 14, 2000:** The Clinton administration releases the previously secret full text of the WTO agreement it signed with China last year, hoping that making it public would help win support on Capitol Hill for granting China Permanent Normal Trade Relations status.

**Mar. 18, 2000:** Following the announcement of Chen Shui-bian's victory in the Taiwan presidential elections, President Clinton issues a statement reaffirming that the U.S. would maintain "unofficial ties" with Taiwan while praising the "strength and vitality" of Taiwan's democracy.

**Mar. 20-21, 2000:** U.S. Ambassador to the United Nations Richard Holbrooke and Assistant Secretary of State Stanley Roth visit Shanghai and Beijing for consultations with senior Chinese officials on UN affairs, human rights, Taiwan, and other issues.

**Mar. 22, 2000:** Former U.S. Congressman Lee Hamilton goes to Taipei as a presidential envoy to talk with President-elect Chen Shui-bian and other Taiwan officials. He is accompanied by Richard Bush, the director of the Washington office of the American Institute in Taiwan.

**Mar. 23, 2000:** In a speech to the United Nations Human Rights Commission in Geneva, Secretary of State Madeleine K. Albright urges the United Nations to support a resolution condemning China over "widespread denials" of basic freedoms.

**Mar. 29, 2000:** National Security Adviser Samuel R. Berger arrives in Beijing for talks with Chinese leaders on a range of issues, including the March 18 election of DPP candidate Chen Shui-bian as president of Taiwan.